

## Economic Stimulus - Giving a Kick Start to our Economy

Written by Mike Honda

Tuesday, 29 January 2008 19:00

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Recent economic indicators are pointing to a slow down in our economy. By providing an economic kick start to the economy, it is possible that we can avoid further economic decline.

This week my colleagues and I in the House passed an [economic stimulus](#) package that will give a much-needed boost to our struggling economy and provide real assistance to lower- and middle-income families.

### Stimulus details

The stimulus package will provide a tax cut for 117 million families: up to \$600 per individual, \$1,200 per married couple, plus \$300 per child. These rebate checks could be sent as early as May, giving families much-needed assistance as we enter the summer months. The House package rebate is targeted toward lower and middle-income Americans, who most need assistance.

While the rebate checks will provide families with timely financial assistance, the stimulus package includes other aspects that will further boost the economy and provide new jobs for Americans. The stimulus package will encourage business investment by doubling the amount small businesses can write off their taxes for new investments made in 2008 and by increasing the number of small business that are eligible for this tax relief.

Many families in our area are facing home foreclosures and a subsequent descent into financial hardship. The stimulus package will expand affordable mortgage loan opportunities through reform of the Federal Housing Administration and increases in housing loan limits from Fannie Mae and Freddie Mac. These changes will make more Californians eligible for federal housing

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assistance and allow them to re-finance out of rapidly escalating adjustable rate mortgages.

While this stimulus package will assist hard-working families and small businesses, it is only a short term fix for a long term problem, as my colleagues in the Congressional Progressive Caucus and I noted in a [letter to House Speaker Nancy Pelosi](#) . I will continue to work with my colleagues to reverse our current economic slowdown and to create more jobs and opportunities for families in Silicon Valley.